Honolulu, Hawaii

APR 2 5 2014

RE:

S.B. No. 2196

S.D. 2

H.D. 1

C.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2196, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Re-establish the energy systems development special fund;
- (2) Amend the amount of the environmental response, energy, and food security tax to be deposited into various existing funds;
- (3) Amend the purpose of the hydrogen investment capital special fund to be for the development of hydrogen production, storage, and dispensing infrastructure;

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- (4) Require the Director of Finance to deposit an unspecified amount from the revenues of the environmental response, energy, and food security tax into the hydrogen investment capital special fund; and
- (5) Extend the repeal of various allocations of the environmental response, energy, and food security tax from 2015 to 2030.

Your Committee on Conference finds that re-establishing the energy systems development special fund will provide funding to support Hawaii projects important for achieving state energy goals, such as renewable power generation, advanced transportation, energy efficient end-use technologies, and the integration of systems to allow increased renewable use.

Your Committee on Conference has amended this measure by:

- (1) Specifying in the findings that the purpose of this measure is to:
 - (A) Re-establish the energy systems development special fund to be funded in part by revenues collected from the environmental response, energy, and food security tax; and
 - (B) Extend the allocation of revenues collected from the environmental response, energy, and food security tax to various special funds from June 30, 2015, to June 30, 2030;
- (2) Deleting language that would have amended the purpose of the hydrogen investment capital special fund to be for the development of hydrogen production, storage, and dispensing infrastructure;
- (3) Deleting language that would have amended the amount of the environmental response, energy, and food security tax to be deposited into various existing funds;
- (4) Deleting language that would have required the Director of Finance to deposit an unspecified amount from the revenues of the environmental response, energy, and food security tax into the hydrogen investment capital special fund;
- (5) Changing the effective date to July 1, 2014; and

(6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2196, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2196, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

CHRIS LEE, Co-Chair

SYLVIA LUKE, Co-Chak

MIKE GABBARD, Chair

CLAPENCE K NICHTHARA CO-Chair

CLARENCE K. NISHIHARA, CO-Chair

DAVID Y IGE Co-Chair

Hawaii State Legislature

CCR 104-14

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 2196, SD 2, HD 1					Date/Time: 4/25/114 S:49 n				
The recommendation of the House and Senate managers is to pass with amendments (CD).									
The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	Α,	WR	N	Е	House Managers	Α	, WR	N	Е
GABBARD, Mike, Chr.	$ \vee $				LEE, Chris, Co-Chr.	$oxed{}$			
NISHIHARA, Clarence K., Co-Chr.				\supset	LUKE, Sylvia, Co-Chr.	V			
IGE, David Y., Co-Chr.	$ \vee $				WOOLEY, Jessica				\
					THIELEN, Cynthia				
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TOTAL	2			1	TOTAL	3			1
A = Aye $WR = Aye$ with Reservations $N = Nay$ $E = Excused$									
Senate Recommendation is: Adopted Not Adopted				House Recommendation is: Adopted Not Adopted					
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency									